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ABSTRACT

Based on data drawn from a participant observation of a specific chain-owned newspaper, this paper examines ways in which the relationship between newspaper groups or chains and their member papers affects the newsroom and the news. Specifically, the paper reviews three aspects of chain influence: how the introduction of a chain-owned wire service encourages member newspapers to print certain news stories, how profit goals established by chains change the role of the publisher, and how the introduction of management techniques affects newsroom personnel. (FL)

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Qualitative Studies

Economics and Management Techniques: The Real Influence of Newspaper Chains

by

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This paper will examine how the relationship between newspaper groups or chains and their member papers affects the newsroom and the news.[1] Much of the data came from a participant observation[2] study of a newspaper called The Sun.[3] As a participant observer, I worked as an editor and reporter for The Sun. The Sun was one of the first newspapers in the Spandex chain which recently merged with King Newspapers, making King one of the largest newspaper chains in the United States.

Most critics of media concentration seem to be concerned with searching out the more glaring examples of the dangers of chain ownership, such as Panax's attempt to force its papers to print certain news stories.[4] But the larger chains--Knight-Ridder, Gannett, Dow Jones and Times Mirror--avoid directly interfering with the news content of member papers. Gannett, for example, has taken out advertisements in newspapers and magazines stressing the editorial autonomy of its papers. Indeed it appears that the larger chains do not interfere with the editorial content of member newspapers. But this does not mean that chains do not indirectly influence what member newspapers print. And this paper argues that economics and business management techniques are at the heart of chain influence. The paper examines three aspects of chain influence: (1) how the introduction of a chain-owned wire service encourages member newspapers to print certain news stories; (2) how profit goals established by chains change the role of the publisher; and (3) how the introduction of management techniques affect newsroom personnel.

The Chain-owned Wire Service

The merger between Spandex and King took effect while I was a participant observer at The Sun. This gave me the opportunity to observe how ownership change affects a newspaper. The major direct influence the merger had on The Sun's newsroom was the addition of the King News Service (KNS). KNS is a wire service for King papers; it is headquartered in Washington, D.C., and maintains bureaus in cities throughout the United States. KNS is meant to supplement the wire services that King papers are currently receiving. In the case of The Sun, KNS supplements the AP wire. KNS employs over 40 reporters and editors, about 30 of whom are stationed in Washington, D.C. King newspapers do not pay for the KNS wire, and the KNS wire is available only to King papers. According to the director of KNS, the KNS wire provides coverage of events not normally covered by AP or UPI. KNS specializes in news analysis, feature stories and in-depth stories about news events. Typically, King newspapers rely on the AP or UPI to provide coverage of news events and use KNS to provide background and analysis. KNS also buys materials from other wire services and from syndicates and makes them available to King newspapers at no cost.

KNS reporters based in Washington, D.C., also serve as correspondents for the King newspapers. Any King paper can request KNS to provide coverage of an event in Washington, D.C., which is of local interest. For example, The Sun was having difficulty obtaining information from the Army Corps of Engineers in Washington. The Sun's editor asked KNS for help. About two weeks later a story slugged "For The Sun" moved on the KNS wire. The story contained the requested information and ran as the lead story on the front page of that day's paper. According to its director, KNS fills

about 75 percent of all story requests it receives. Those not filled are stories KNS has already done, or the topic of the story does not warrant the reporting effort, or the story is currently being done by AP or UPI. Also a story that requires a reporter to be at a certain place at a specific time may not be covered if it is at the expense of a breaking story of more general interest.

With the introduction of the KNS wire, The Sun received an almost endless supply of news analysis stories, feature stories, movie and television reviews, medical advice columns, consumer columns and sports columns. The Sun has come to rely heavily on the KNS wire. My observations also indicate that KNS affected newsroom personnel and the process by which copy is selected for publication.[5]

About a month after receiving the KNS wire, the director of KNS visited The Sun to interview the paper's top reporter for a job with KNS. According to the director of KNS, King policy is to increase the KNS Washington, D.C., staff in accordance with the acquisition of a certain number of newspapers. Shortly after the director's visit, The Sun's reporter was hired conditional upon his completion of a standard 30-day trial period, after which the reporter either returns to his or her newspaper or is put on the KNS staff. During the 30-day trial period, The Sun was short handed. This reporter ultimately joined the KNS staff permanently, and his position at The Sun remained vacant for an additional four months.[6] King tends to promote from within its own ranks and provides a centralized personnel office.[7] Thus, as one King publisher told me, there are ample opportunities to move to other papers in the chains. King can also draft reporters from member newspapers to augment the KNS staff

in providing coverage of major news events. The director of KNS said that KNS drafted reporters to help cover the Democratic and Republican national conventions.

The KNS wire saved The Sun money. The Sun purchased such items as a doctor's advice column and astrology tables from a syndicate. With the introduction of the KNS wire, these and other features became available to The Sun at no cost. The Sun revamped its features to take advantage of the material provided by KNS. The reorganization of The Sun spurred by the KNS wire also affected the editorial page. The KNS wire carries certain syndicated columnists such as Jack W. Germond and Jules Witcover, Jack Anderson, George Will, Erma Bombeck and Art Buchwald. In order for a King newspaper to use any of these columns, the paper would have to purchase rights to them, even though they are carried on the KNS wire. Except for Bombeck and Buchwald, The Sun did not subscribe to any of the columnists carried on the KNS wire.[8] After receiving the KNS wire, The Sun, to save money, dropped its subscription to Newspaper Enterprises Associates, which supplied The Sun with many of its features and editorial columnists. The Sun has not subscribed to any of the columnists carried on the KNS wire; rather, The Sun has been using news analysis and in-depth pieces written by KNS staffers[9] in place of the columnists dropped from the editorial page. The KNS wire, then, is saving The Sun quite a bit of money because it has allowed The Sun to use KNS copy in place of syndicated material, which, according to The Sun's editor, is the third largest editorial department budget expense.[10] (Financial information about The Sun is not available, and the publisher declined to provide any specific financial information about the paper.) The danger here is that there may be a trend among King

papers to heavily use KNS features and columnists because it is cheap and easy. In effect, then, King papers may contain quite similar content, especially on the editorial pages.[11]

The KNS wire also saves King papers money in other ways. Typical of most newspapers, The Sun periodically publishes special sections such as outdoor living, spring fashion, back to school, farm and business, etc. These sections, which are composed of about 70 percent advertising, are very profitable. Reporters at The Sun are assigned stories for the special sections which are in addition to their usual reporting assignments. But with the introduction of the KNS wire, entire special sections are sent over the wire. Typically, the wire announces that KNS will be sending stories for the fall fashion section or the back to school section that week. During my time at The Sun, so much copy on fall fashions and back to school was received over the KNS wire that there was no need to do much local reporting. In one of The Sun's special sections, KNS stories accounted for 60 percent of all stories in the special section; only one story was written by a member of The Sun's staff. This, of course, makes the special sections all that more profitable.[12]

The KNS wire provides The Sun with valuable copy that improves the overall quality of the paper. But the indirect effects of KNS on the paper are great. In general, King newspapers are small with an average circulation of about 40,000. Since the news staffs of King papers are also small, there may be a growing tendency among King papers to rely heavily on the KNS wire. This could result in King papers carrying similar content, and the KNS wire seems to be encouraging this. It was not uncommon to see copy on the KNS wire slugged "Attention Mining Points," "Attention

West Coast Points," or "Attention Farming Points." It may not be unreasonable to assume that these stories are being run by most papers concerned. This criticism concerning similarity of content could be made of all media that use the AP or UPI wire service. But there is a difference between AP or UPI and KNS. AP and UPI tend to run news stories, emphasizing the who, what and where qualities of news. But the KNS wire provides analysis and opinions about news events, institutions and politicians. Also, the content of the editorial pages of King papers may begin to express similar opinions because they may be using the same columnists and news analysis pieces. And the reason for using these columnists may have nothing to do with the columnists themselves but because they are available on the KNS wire.

Furthermore, since almost all King newspapers are monopolies, the readily available copy provided by KNS may result in less local reporting. There may be little incentive to produce local feature stories because of the abundance of KNS features. Also, since most King papers are monopolies, there may be little incentive to improve the quality of local reporting because, to an extent, the paper's audience is a captive one. Besides, local reporting costs money. The wealth of copy provided by KNS and the added opportunities for staffers to move up in the chain may result in staff cutbacks. As we shall see, there is reason to believe that The Sun's reporting staff has been cut back and that the impetus for this came from the paper's membership in the chain.

Economics and the Publisher

To understand how chains influence the news content of member papers through economics and business management techniques, it is necessary to

understand how the role of the publisher changes. The publisher of a chain newspaper does not own the paper; he or she is an employee of the chain. At a chain paper, the publisher's primary responsibilities are to the chain and not to the community in which the paper is published. Newspaper chains have experienced tremendous economic growth. Between 1972 and 1976, for example, Times Mirror's revenues grew by almost 60 percent; Gannett's revenues by 56 percent; Knight-Ridder's by 50 percent; Dow Jones by 60 percent and Harte-Hanks' by 68 percent.[13] Newspaper chains are averaging 15 percent return on stockholders' equity a year.[14] There is pressure on publishers of chain papers to continue this growth rate because, as the publisher of The Sun said, "a company must continue to grow to survive." Chains set economic goals[15] for their member newspapers, and it is up to the publisher to meet these goals.

During an interview with the publisher of The Sun, I asked what would happen if the profits of The Sun declined. He answered: "They would replace me. If I can't substantiate why we aren't making a gain over the previous year--that's one of the measures the company uses--or gain over the budget, they would replace me. You always have to continue to grow to prosper. We start budgeting now for next year. We anticipate what new businesses are coming to town, what stores are closed, what stores are expanding and likely to advertise more, what the circulation trend is and these kinds of things.... We determine how much it will cost us to operate--union contracts, heat and electricity, all of the costs--and determine how much money we have to earn and then how much profit we would like to make whether it's 5 or 10 percent and then set our rates accordingly. Now if the business doesn't come in to support all that, we cut something. If

we really fail badly, King or Spandex would come in and look at the area. And if we couldn't run the newspaper profitably, they would probably sell it. I hope that's what they would do. We in the newspaper business are in it not just for the money, but you can't operate unless you make a reasonable profit. If you aren't making at least 5 or 6 percent, you'd be better off putting your money in the bank."

Although the publisher would not disclose how profitable The Sun is, he did say it is not the most profitable newspaper in the Spandex group.[16] As far as newspapers its size in the United States, he said the paper is "satisfactorily profitable." Two members of the staff told me The Sun has a 33-percent profit margin. And that the present publisher has been responsible for more than doubling the paper's profit margin in his three years as publisher.

By owning monopoly newspapers, chains have the ability to control their profits.[17] Gannett, for example, is able to adjust circulation and advertising prices to meet profit goals set by top management. David Shaw quoted Allen H. Neuharth, president and chief executive office of Gannett, as saying:

> We like to make 15-20 percent a year. We do that every year. The investment community likes that kind of predictability. If we made 30 percent one year and 6 percent the next year, they wouldn't be as happy. Wall Street couldn't recommend our stock so confidently to their investors. If it looks like our profits might drop below 15 percent, we can just increase our advertising and circulation prices. If it looks like we might make more than 20 percent, we can spend more money on equipment or buildings or readership studies.[18]

This has insured Gannett of always having a record quarter, making Gannett an attractive investment and keeping stock prices up. Keeping stock prices

high is significant because most mergers and some single newspaper purchases involve stock transactions.[19]

The role profit plays in the relationship between chains and their member newspapers appears to be complex. A case worth examining involves the demise of The Hartford Times.[20] In 1928 Frank E. Gannett purchased The Times for $5.5 million. In 1950 the circulation of The Times was almost double that of its rival The Courant. But in the 1960s, The Times began to lose ground to The Courant; and in 1965, The Courant with a circulation of 136,000 surpassed The Times which had a circulation of 134,000. "The New England Daily Newspaper Survey of 1973 found the paper further depleted, not only in circulation but in thoroughness of news coverage."[21] In October 1973, Gannett sold The Times to the Register Publishing Co. of New Haven for $8 million. The Times continued to lose circulation, and it ceased publication on Oct. 20, 1976. The circulation had dropped to 69,000.

The story of The Hartford Times could have ended here if a former Times' staffer, Bill Williams, had not spoken out. In an article in Columbia Journalism Review,[22] he questioned some of the corporate intrigue in the operation of The Times. According to Wiliams, the demise of The Times began in 1962 when Gannett began to ship in "the first of a series of outside editors and publishers. They ordered changes that infuriated readers and led, eventually, to a sharp decline in circulation. The three biggest mistakes may have been the decisions to limit The Times circulation area, to cut back on local news coverage, and to launch a Sunday newspaper."[23]

After the ill-fated attempt at publishing a Sunday paper, Gannett

sold The Times. "Within days of the sale the purchaser, Lionel Jackson, found that he had been conned. Gannett's last publisher in Hartford had falsified circulation figures in a scheme that involved the creation of a dummy corporation to conceal the deception. The publisher later admitted that he counted as paid circulation newspapers given away in promotional drives and stolen from street-corner boxes. Actual paid circulation turned out to be 10,000 to 20,000 less than Jackson had been told."[24] The New York Times reported that The Hartford Times had paid a bogus business for market survey but really only pumped money back into the circulation department to cover up losses.

Following the sale, a series of suits were filed to block the sale. The Register Company charged that through fraud and misrepresentation it had been induced to pay $6,956,792 more that The Times was worth. The Register Company also charged that The Times had deceived the Audit Bureau of Circulation, the national agency that certifies circulation figures for newspapers and magazines. The Times was reported by the A.B.C. to have a circulation of 115,000 at the time of the sale; a year later the circulation had slipped to 91,500. "During court proceedings, it also was disclosed that Gannett had been charging The Times $332,000 a year as a fee to help support the headquarters operation; the fee was listed as an operation expense. One witness said that The Times would have made money in three of its last four money-losing years if the fee had not been assessed."[25]

The Hartford Times points out some of the possible dangers of chain ownership of newspapers. The publisher of a chain paper is an employee of the chain. This makes him or her distinctly different from publishers who

own their own papers. To keep his or her job or to increase chances for advancement, the chain publisher may be under pressure to meet or exceed the goals set for his or her paper by the chain. And these are business goals. Thus, for example, it may help a publisher's career to increase the revenues of the paper. One wonders if The Hartford Times' publisher's attempt to minimize circulation losses encouraged him to count as paid circulation papers given away during promotional drives and stolen from street-corner boxes.[26]

It is possible that a publisher may meet his or her paper's goals at the expense of the news. One place to save money and thus increase revenues is to cut back on the amount of local reporting. One Gannett publisher told me during an interview that when he was made publisher he was assigned to a paper Gannett uses as a proving ground for new publishers. How successful the new publisher is at this paper determines what kind of future he or she will have with Gannett. He told me that many publishers, especially those looking to advance in the company, attempt to exceed the financial goals set for their papers. He said that publishers do this by cutting back on the news staff and by eliminating syndicate subscriptions. He said that when he took over the paper, the news staff had been severely cut back by the two previous publishers and almost all syndicate subscriptions had been cancelled.[27] This publisher said that if a publisher does not meet the goals set by Gannett, he or she may be demoted. He was able to provide me with some examples of demotions.

The publisher of The Sun openly admits that he sees his job as publisher as a stepping stone to an upper management position in the chain. When asked what he would like to do after publisher, he told me, "I've been

here three and a half years and I don't want to stay in the publisher's job here or elsewhere until I retire.... I want to move into upper management but I don't have a particular area that I want."[28]

Much of the policy established by The Sun's publisher seems to be tied to the economic conditions of the paper. To repeat, one way for a publisher to increase the revenues of a paper is to cut back on staff, especially news staff. The news staff, unlike the advertising and circulation staffs, brings no money into the paper. As one reporter put it: "When the publisher sees us coming to work in the morning, all he sees is money going out the door." At The Sun, salaries for newsroom employees represent the single largest expenditure in the newsroom budget. The editorial staff at The Sun has been cut back, not through firings but by natural attrition.[29]

At the same time the editorial staff is trimmed, overtime is discouraged. At The Sun, if an employee claims overtime, he or she must explain in writing why he or she worked overtime. Staffers at The Sun told me that they were told by management not to work overtime. One reporter said, "There is pressure not to put down overtime. You get your beat done and sit around and wait for an assignment. But whatever you do keep it to 40 hours. Occasionally, I did go out and put in some overtime on stories but I got chewed out over it." The news editor, who is salaried and not paid by the hour, said, "There is little overtime, and the company frowns on people taking it. I get yelled at when there is lots of overtime. This makes me reluctant to assign stories to reporters. In my own case, I put in between 50 and 60 hours a week and get no overtime. I was told when I got this job that overtime was figured into my salary.

If a reporter works more than eight hours a day, the reporter must take compensatory time off. For example, on Friday the full-time photograher called in sick, and the part-time photographer had worked his allotted hours. Rather than have him put in overtime, the news editor sent the part-time photographer home leaving the newsroom without a photographer for the entire day. The overtime policy at The Sun results in certain events not being covered by the staff.[30] For the most part, if an event does not occur between 8 a.m. and 5 p.m., the event is not covered until the next day.[31] Of course, exceptions are made for important meetings such as those of the city council. Some reporters did take it on themselves to cover events that occurred at night, but were discouraged from doing so in the future by the management.[32] In the fall of 1978, The Sun began publishing its Saturday edition in the morning instead of the afternoon. This means that The Sun is open only Monday through Friday. On Fridays the news staff is split, some staffers working for the Friday afternoon paper and others working for the Saturday paper.[33]

Another way The Sun saves money is to keep reporters' traveling expenses to a minimum. The Sun does not provide reporters with company cars;[34] reporters must use their own cars and submit mileage claims. Some of the reporters I talked with told me that they didn't submit mileage claims because of the paper work involved. All of the reporters I talked with thought that providing their own transportation was subsidizing the paper. All of the reporters thought that the mileage rate paid by The Sun was too low. Some of the reporters told me that they have ignored stories because they would have to travel to the event in their own cars. One reporter said, "There is no car for me to use. One time, (the editor) had

to beg for a car from advertising. But to get the car, (the editor) had to rent a car for the advertising department so that I could use the company car. He had to pay for the rented car out of the newsroom's budget. We have to use our personal cars or walk. And on top of it we are encouraged not to collect mileage. I don't have a personal automobile. And I will not make arrangements to use my wife's car. There are stories I should do at the county home, but I don't get those done because I don't have access to a car to go out there. We are not a mobile enough news staff to do a lot of the things we should do. All private automobiles do is subsidize The Sun."

Staff cutbacks, overtime and limiting travel expenses influence the reporting of the news. Limits on overtime and staff cutbacks result in certain events not being covered because a reporter is not available. The lack of a company car and The Sun's lower than average compensation rate for using one's own car have resulted in some reporters refusing to provide their own transportation. Thus some news events go uncovered.

Management Techniques

After the merger between King and Spandex, King put every Spandex paper on its MBO (management by objectives) system. MBO requires that specific goals be set for each member of the organization, and employees are evaluated according to how well they meet their goals. Typically, in an MBO system if an employee doesn't achieve a certain minimal score, he or she may be placed on a short probationary period. After the period, the employee is reviewed again. The King MBO system also applies in the newsroom; goals are set by the editor and publisher for newsroom personnel. In the case of The Sun, the editor and publisher attended a

seminar held by the chain devoted to setting goals for newsroom personnel. "One of the objectives of our MBO system," the publisher said, "is to improve the story count per employee or reporter. We felt that some reporters aren't turning in enough stories." Another publisher of a King newspaper told me that it was suggested at one of the seminars that reporters' copy undergo a readability test, and that a certain score should be set as a minimal readability score. If a reporter's copy continually fell below this score, the reporter would be told to improve his or her writing or face disciplinary action.

Although it is too early to determine the full effects King's MBO system will have on The Sun's newsroom, story counts have been emphasized in the newsroom. And a story assignment system has been adopted to increase each reporter's story count. The danger of the MBO system, though, may be to increase story counts but not quality. Reporters may tend to write the easily obtained and written story, being reluctant to take on complex stories requiring considerable time to research and write. And there is reason to believe that this is occurring at The Sun. One reporter told me, "We are pursuing numbers. There are stories which should be done but are put off because there is constant pressure to produce features. Getting your by-line in quantity. We measure enterprise pieces by number. We are trying to meet production goals in quantitative terms. I do the easy feature rather than do an in-depth story.... I want to do an in-depth piece on land use in (the county) but instead I chase around after light easy features all the time." The use of management systems such as MBO by newspapers is an unexplored area that clearly needs careful study.

According to The Sun's publisher, King's bookkeeping and accounting system is designed to keep unions out of the organization. Approximately 80 percent of King's and Spandex's employees do not belong to a union. One King publisher I interviewed told me that King holds seminars for its publishers instructing them on how to keep unions out of their newspapers. According to The Sun's publisher, after the merger between Spandex and King, The Sun's budgeting system was changed by King, resulting in the placement of all "non-mechanical people on parity with the composing room. Editorial, advertising, circulation and business will be getting paid on parity with the composing room. In other words, it will not pay to join a union." By placing salaries on parity with the unionized composing room, The Sun is able to save money. Because of the installation of a computerized front-end system, the skills of the backshop employees are no longer needed. Thus, during salary negotiations, The Sun's publisher offered the union a 5 percent pay cut. And although the publisher and the union agreed on a modest pay raise, the union's future at The Sun is bleak. Because salaries are pegged to union wages, the salaries of the news staff[35] will not increase significantly. One reporter at The Sun was approached about leading a drive to unionize the newsroom. During an interview, he told me: "They asked me if I would lead the battle to organize the newsroom. God, you've got to be kidding. No way am I going to do that. The only way I would organize is if I wanted to leave the paper within the next year. I am not anti-union. I am a pro-union man just like I am pro-democrat. I absolutely refused to lead the battle." On the other hand the salaries of The Sun's executives are quite good because in addition to his or her salary, each executive receives a fixed percentage of the paper's profits.

Conclusion

The irony of newspaper chains is that they go out of their way to insulate member papers from corporate influence, but then leave the news in the hands of the publisher, a publisher who may have no vested interest in the community in which the paper is published and who may see his or her position as publisher as a stepping stone to a better position in the chain. In order to insulate member papers, chains are concerned with the "bottom line," and publishers are evaluated on how well they meet these economic goals. To increase his or her chances for promotion, a publisher of a chain newspaper may be under pressure to meet or exceed the economic goals. And it is possible that a publisher may meet his or her paper's goals at the expense of the news. One place to save money and thus increase revenues is to cut back on the amount of local reporting. Since most newspapers are monopolies, an increase or decrease in the amount of local reporting may not be reflected by any change in circulation. Furthermore, to save money, chain newspapers may tend to use material supplied at no cost by the chain. Thus the content of newspapers owned by the same chain may not be all that different. Simply, the publisher of a chain newspaper may be serving the interests of the corporation first, and the needs of the community second.

The indirect influence of chain membership such as the introduction of chain wire services, bookkeeping and accounting procedures and management techniques does affect what is printed in chain newspapers. Unfortunately, the data needed to understand fully the coporate relationship between chains and their newspapers is difficult to obtain. But clearly more research needs to be directed to exploring how chains influence the content of member newspapers.

Footnotes

[1]This paper is derived from the author's dissertation, "The Organizational Nature of News: A Study of a Middle-size Newspaper" (Ph.D., University of Iowa, 1978).

[2]For a discussion of the methodology see Herbert Blumer, Symbolic Interactionism (Englewood Cliffs, N.J.: Prentice-Hall, 1969); and Severyn Bruyn, The Human Perspective (Englewood Cliffs, N.J.: Prentice-Hall, 1966).

[3]In order to protect the anonymity of the employees of the newspaper, the names of corporations are masked. The Sun is a daily newspaper with a circulation of about 17,000.

[4]For a discussion of Panax's attempt to force its newspapers to publish certain news stories see Columbia Journalism Review (September/October 1977): 6-7, 83.

[5]The Sun's editors are under standing orders from the publisher to use as much KNS copy as possible. The publisher sent a note to the editors listing the order of priority as local copy first, followed by state copy, KNS copy and AP copy. If both KNS and AP cover the same event, the editors are to use the KNS copy.

[6]The reporter also held the position of city editor. The city editor's job still is vacant.

[7]King has established a minority requirement program and the personnel office acts as a clearinghouse for publishers seeking minority applicants.

[8]By carrying certain syndicated columnists on the wire, KNS may be influencing what columnists its member papers subscribe to. Normally, a paper the size of The Sun receives most of its syndicated columns in the mail. This means that someone must set the columns by hand. But columns carried on a wire do not have to be set by hand because the wire feeds either directly into a paper's computers or automatically punches stories on perforated tape that can be fed into the typesetting system. To minimize expenses and chances of a typesetting error, newspapers would prefer to have syndicated material carried on a wire. Thus, when King newspapers are shopping for syndicated columnists, they may tend to buy those columnists carried on the KNS wire.

[9]The Sun also uses on its editorial pages columns purchased by KNS and provided at no cost to King newspapers. Also, The Sun uses AP stories on its editorial page, and continues to subscribe to two or three syndicated columnists.

[10]The largest editorial department expense is salaries, followed by the cost of the AP photo machine.

[11]I have looked at other King papers, and although my research has not been very systematic, the editorial pages did contain many of the same columnists.

[12]These special sections appear to be published at most King newspapers.

[13]Figures were derived from the companies annual reports and reflect gains between 1972 and 1976; for Gannett and Dow Jones the figures reflect gains between 1973 and 1977. Between 1972 and 1976, Dow Jones' revenues increased 134 percent and Gannett's 40.7 percent.

[14]Ben H. Bagdikian, "Newspaper mergers--the final phase," Columbia Journalism Review (March/April 1977): 21. In 1978, Fortune ranked Gannett seventh highest among the top 500 industrial corporations in the United States in total return to investors, 1967-1977.

[15]By economic goals, I mean that the publisher's budget must be approved by corporate headquarters. The budget may be returned to the publisher with instructions to increase profits or reduce man-hours. The publisher, with the guidance and approval of corporate headquarters, sets the budget for his or her newspaper. In the final analysis, then, corporate headquarters sets the economic goals for member newspapers.

[16]The president of King Newspapers recently pointed out the Spandex newspapers as being "high margin" papers, i.e., the papers in the Spandex group are more profitable than the average King newspaper.

[17]See Bruce Owen, Economics and Freedom of Expression (Cambridge, Mass.: Ballinger Publishing Co., 1975).

[18]Los Angeles Times, Sept. 7, 1978.

[19]For example, Gannett's merger with Combined Communications Corporation involved an exchange of stock. Combined Communications stockholders received .8 shares of Gannett for every one share of Combined Communications.

[20]For the details of the demise of The Hartford Times see Columbia Journalism Review (January/February 1977): 56 and Columbia Journalism Review (March/April 1977): 61.

[21]Columbia Journalism Review (January/February 1977): 56.

[22]Columbia Journalism Review (March/April 1977): 61.

[23]Ibid.

[24]Ibid.

[25]Ibid.

[26]One Gannett publisher I interviewed told me that it was quite likely that corporate pressures did cause The Times' publisher to doctor the circulation figures.

[27]This publisher has hired more reporters. But the publisher told me that he is very happy where he is and does not want to move to another paper. This publisher, then, by deciding he has advanced far enough in the chain, may be free of some of the pressures to increase revenues.

[28]The Sun's publisher was brought into the paper from Spandex's corporate headquarters. The publisher was not familiar with the city in which The Sun publishes. In fact, the publisher had visited the city only once before. It is common for chains to bring in publishers and editors unfamiliar with the community a paper serves.

[29]After The Sun's top reporter joined KNS, the woman's page editor resigned and the sports editor retired. No one was hired to fill the vacancies; rather the staff was restructured. The wire editor became the sports editor; the farm reporter became the wire editor; and a part-time reporter became the woman's page editor. In all, there were three vacancies on The Sun's editorial staff. The Sun hired one reporter to replace the farm reporter. A year later, two more full-time reporters were hired. Prior to the three vacancies occurring, the editor during an interview told me that he was short at least three full-time people. All of the members of the editorial staff thought the paper was seriously understaffed.

[30]In one case, a man shot and killed his wife and then took his own life at about 6 p.m. on a Friday. The Sun did not send a reporter to cover the shooting until the next day. In another case, a house burned down and the only reason The Sun had any coverage of the fire was because a backshop employee was visiting friends nearby and covered it for the paper. The next day, The Sun assigned a reporter to cover the fire.

[31]One joke that circulated among some staffers was that if the downtown burned during the night, The Sun would not cover it until the next morning.

[32]One reporter told me that he would get up at night to chase police sirens but stopped when he found out that it wasn't appreciated by management.

[33]This means that The Sun operates with a full staff only Monday through Thursday.

[34]The Sun has two company cars which are at the disposal of the advertising and circulation departments. Because The Sun is located in an urban area, parking spaces are at a premium. Many reporters are not assigned a parking place and must pay to park their cars in a public parking lot. This angers many of the reporters. When I asked the publisher about traveling expenses, he said: "They (the reporters) tell me they can't make it on 12 cents a mile. I say that's hogwash. As far as parking spaces are concerned, if you come and go a lot you get a space. Reporters probably ought to have more spaces, but they don't bring any money into the paper and the people who do get a space."

[35]The salaries of the news staff are low. In 1977, The Sun's top reporter was earning $260 a week. Another reporter was earning $11,000 a year. And another staffer who had been with the paper four years was earning $160 a week.